#### CITY BUY BELMONT TUNNEL?

NEGOTIATIONS TO THAT END ARE NOW UNDER WAY.

Everything Ready to Begin Operations, but Belmont Interests Won't Move Until Legal Tangle Is Removed-Offer to Sell Out to City and Then Rent It.

The tangle in the Belmont tunnel situation will in all !!kelihood be straightened out by the purchase of the tunnel by the city from the Belmont interests. Prelimmary negotiations have been begun by President Shonts of the Interborough company and some of the heads of the city government. Informal conferences on the atter have been held also between Nelson Lewis, chief engineer of the Board of Rapid Transit, and representatives of the company. Mr. Lewis and Corporation Counsel Pendleton also have talked over the advisability of the purchase of the tunnel by the city.

The tunnel is finished, the rolling stock is on hand and in fact the tunnel is ready for operation to-day, but August Belmont and his colleagues do not intend to run trains until they know just where they

When the Legislature granted the charter for the building of the tunnel to the New York and Long Island Tunnel Company it was provided that the tunnel should be completed by December 31, 1906. After part of the work had been done the task was abandoned and about three years ago August Belmont bought up the interests of the old company and started to finish

His right to purchase the charter was contested by the city on the ground that all the powers granted to the old company had become invalidated because the company had ceased practically to exist for several years. It was contended also that under the new rapid transit law it was necessary for Mr. Belmont to apply to the city for a franchise.

Mr. Belmont went ahead with the work, however, and although his contractors used the utmost efforts to get the tunnel completed before the last day of 1906 they were unable to do so. The legal authorities of the city asserted that the failure to finish the tunnel within the time specified in the original charter also invalidated

The courts through which the case has been carried so far have held that while the franchise purchased by Mr. Belmont and his associates was a good one the New York and Long Island company went out of corporate existence on December 31, 1906. Anticipating that some decision of this kind might be handed down, the Belmont interests before the close of that year transferred the franchise and other rights belonging to the old company to a group of trustees. The city denies the legality of the transfer and that is the situation which now exists.

Mr. Belmont and his colleagues refuse to apply for a franchise to operate a tunnel, they built with their own money and the city authorities declare that these men have no legal right to the tunnel. The city does not claim the tunnel, but it does contend that Mr. Belmont cannot operate it ut a franchise, and yearly payments

In order to put an end to the difficulty Mr. Belmont offered a short time ago to sell the tunnel to the city and then to have the privilege of operating it for a term of years at a rental to be fixed by the Board of Estimate. The tunnel has been con-structed for the running through it of the cars of the Belmont trolley lines in Queens.

Mr. Belmont intended to charge his trolley passengers an extra three cent e for travelling through the tunnel, t Mr. Lewis said yesterday that the city would never agree to buy the tunnel unless elmont company consented to oper-without charging an additional fare. wiould it decide to buy, pay more than the verified actual cost of the construction of

Chairman Willcox of the Public Service Commission said yesterday that while he was aware that negotiations were being carried on between the Interborough company and the city government the com-mission had not been asked to take any

Public Service Commission at a neeting yesterday received a report from George S. Coleman, its chief counsel, stat-ing that his department had obtained all the necessary consents from property owners for the building of additional tracks in the subway from Ninety-sixth street to This means that the work of arm the subway between these points can be begun at once. The work was au-thorized by the old rapid transit board and the Board of Estimate has already ap-propriated the \$850,000 which, it is estinated, will be the cost of the work. the first time in subway building in Man-hattan when the consent of enough property owners has been secured to obviate the necessity of an appeal to the Appellate Division for the appointment of a com-

#### ASSETS MULHOLLAND OFFERS Estimated to Be Worth Maybe \$175,000,

\ \ gainst His \$2,000,000 of Debts. DANVILLE, Ill., Jan. 8.—Despite the fact that he lists bonds and stocks and other allege i security to the amount of more than \$3,000,000, it is regarded as certain by a United States official in position to know that the creditors of John Mulholland, the broker and money lender, who file i a petition in bankruptcy here yesterday, will realize less than \$175,000 on their claims, amounting to about \$2,000,000. Many of the securities, according to the official, are absolutely worthless.

New York claimants scheduled are Mrs. Irene Mulholland, supposed to be a relative the bankrupt, whose address is given as Broadway and Eighty-fifth street, and Peter E. Malstrom of 20 Nassau street. Malstrom's claim is for \$10,000.

Malstrom's claim is for \$10,000.

Mulholland scheduled, among his assets stock in the International Finance and Development Company of New York to the amount of \$217,000 and bills receivable. which he says are worth \$259,000. These bills receivable are marked "active," "in suspense" and "inactive." Referee in Bank-ruptcy Walter J. Grant thinks they are all

tive, regarding them as absolutely Mulholland also lists \$177,000 of the stock the American Mineral Water Machine ompany of New York as a part of his assets and casually mentions negotiable stocks and bonds which he lists at a million and a quarter.

#### STATE TO SUE TROLLEY ROAD. Engineer Says White Plains Line Is Operat-

ing Without Permission. ALBANY, Jan. 8 .- State Engineer Skene has asked Attorney-General Jackson to proceed in court against the White Plains and Mamaroneck Railroad Company to prevent its operation of a trolley line ex-tending seven miles from Tarrytown to

hite Plains. The State Engineer says the railroad failed to get the consent of the State to operate the road. The new highway law ovides that before a railroad may be built sally along a road which has been imcut or which is about to be improved by the State, the consent of the Srate Engineer cust be obtained. It is said that the new ine is built on one of the so-called State ads, the switches reaching into the ma-

PRIES CURED IN 6 TO 14 DATS.
PAZO GINTMENT is guaranteed to cure any case of itching, Blind, Bleeding or Protruding Plies in 6 to 14 days or money refunded. SOC.—Ass.

YOUNG BROKER A SUICIDE. Henry N. Whitney's Son, Charles W., Ends

Charles Wadsworth Whitney, a son of Henry Norris Whitney, was found dead in his bad yesterday morning at his home, 258 West Seventy-second street. He did not join other members of his family at breakfast and his uncle and a maid went to his room, to find the young man lying on his left side with a revolver in his right hand and a bullet wound in his right temple. He was quite dead.

The young man was a member of the brokerage firm of H. N. Whitney & Sons, who have offices at 15 Broad street and 331 Madison avenue. The latter place is a branch, of which Charles W. Whitney was in charge from July, 1901, when the firm was organized, until last summer. According to his family, he suffered from neurasthenia. He had a sunstroke last summer, and was advised by Dr. Magnus T. Hopper of Brooklyn, the family doctor, to go to Glen Cove, where Howard F. Whitney, a brother, has a country place. There he was treated by Dr. W. H. Zabriskie. He did not improve materially and upon returning to town later in the year he was advised by a specialist in nervous diseases to go to Dr. J. H. Cooley's sanitarium in Plainfield.

He was treated by several doctors, including Dr. Arnold Snow and Dr. Hopper. He returned from Plainfield, without any change in his condition, in the early part of last September and remained at home change in his condition, in the early part of last September and remained at home until after the death of his mother on September 20. Then he became worse and was advised to return to Plainfield. He did so, but before going informed Dr. Hopper that as he did not seem to get better and could not sleep he had no particular desire to live longer.

He came back from Plainfield on Tuesday evening. His uncle, who has a room on the floor below, heard about midnight a noise in the room above, as if some one had knocked over a chair.

Young Whitney had had no active part in the affairs of the firm for the better part of a year. In his room were many pictures of actre sees, not signed, and a large plaster

of a year. In his room were many pictures of actre-ses, not signed, and a large plaster group of the Florodora Sextet. The young man was a graduate of Princeton and a member of the Racquet and Tennis

The firm of Henry N. Whitney & Sons is The firm of Henry N. Whitney & Sons is an old one. Originally it was Drew & Robinson and had charge of the Vanderbilt interests. Later it became Chase & Atkins. Henry N. Whitney then was the cashier. About 1878 he was taken into partnership and the firm name became Kissam, Whitney & Co. Mr. Kissam was a brother-in-law to William H. Vanderbilt, and the firm continued in charge of Vanderbilt, and the firm continued in charge of Vanderbilt. and the firm continued in charge of Vanderbilt interests after the new partner-ship of Henry N. Whitney & Sons was established in 1901. The new partnership terminates in July, 1911. Besides Henry N., Charles W., Howard F. and Arthur E. Whitney, there is a special partner, Henry L. Maxwell of Brooklyn.

GATLING GUNS GUARD TOBACCO. Lexington an Armed Camp-Other Kentucky Towns Ask State's Aid.

LEXINGTON, Ky., Jan 8 .- Two gatling guns and about 100 men are guarding the six big tobacco warehouses here to-night in anticipation of a visit of the night riders. The two gatling guns arrived from he arsenal at Frankfort at 6 o'clock and were hauled into position, one to guard the south and the other the north approach

o the warehouse district.

After consultation with Brig.-Gen. Willams this morning a committee of citizens went to Frankfort and had a consultation with Adjt.-Gen. Johnston and Gov. Wilson and got the use of the gatling guns. Gov. Wilson would not order out the militia, but gave permission for the members of the local military company to be award in as deputy sherids and essigned. be sworn in as deputy sheriffs and assigned to man the guns and do guard duty.

All the roads leading into Lexington are guarded and outposts have been placed about the tobacco warehouse district. It is believed that it will be impossible not only for a body of men to get to the warehouses. but for individual members of the gang to slip into town and set fire to the houses. Every street in the vicinity of the warelined with wagons loaded with obacco. It is thought that the big tobacco pool is crumbling and that the pooled to-

acco in being sold. Frankfort, Ky., Jan. 8. - Gatling guns are to be used against the night riders and troops have been put on guard at Cynthiana and Lebanon. Delegations from Mount Sterling, Lexington and Flemingsburg were here to-day to see Gov. Willson and report the situation in their localities. A gatting the situation in their localities. A gatting gun was shipped from Louisville to Lebanon and there is one ready for use at Hopkins-

Mayor Wilson of Bowling Green to-night put thirty special police about the four tobacco warehouses in that city. The officers are armed with repeating rifles.

#### TAFT IN NEW YORK TO-DAY Will Speak in Cooper Union to People's

Forum on Tuesday. WASHINGTON, Jan. 8 .- Secretary Taft will go to New York to-morrow afternoon and will remain there until Sunday night, when he will return to Washington. On the following Tuesday night he will deliver an address before the People's Forum in Cooper Union. Mr. Taft declined to make known the subject of his address. While in New York he will be the guest of his brother,

Considerable political significance is being attached here to the fact that the sixteen Re publican members of the Ohio delegation in the House of Representatives will give a dinner in honor of Secretary Taft. Members friendly to Senator Foraker will attend

#### ROOSEVELT CLUB FOR HUGHES Brooklyn Republicans Indorse the Governor for the Presidency.

The Theodore Roosevelt Club of the Eighteenth Assembly district in Brooklyn at its monthly reunion on Tuesday night adopted a resolution indorsing Gov. Hughes for the Presidential nomination. A. Squires who presented the resolution, said that what the Republican party needed was a man who could carry New York State, and that Gov. Hughes was the man. He also said that, while appreciating the work laid out and executed by President Roosevelt, he saw no reason why he should name

## his successor.

The storm which originated in the Gulf of Mexico and passed over this region on Tuesday was central resterday over northern New England, with snow land and northern New York.

There was rain in the north Pacific States occa. sloned by a disturbance central over western Can-ada. In the other parts of the country the weather was fair. It was warmer in eastern Pennsylvania New York and New England and in Washington and Oregon and cooler in the south Atlantic States, the extreme Southwest, the upper Lakes Montana and

In this city the day was fair and warmer; wind brisk westerly; average humidity, 69 per cent. barometer, corrected to read to sea level, at 8 A. M.

The temperature yesterday, as recorded by the official thermometer, is shown in the annexed table: 1908, 1907, 1908, 1907, 1908, 1907, 1908, 1907, 1908, 1907, 1908, 1907, 1908, 1907, 1908, 190

Highest temperature, 41°, at 6 P. M. WASHINGTON FORECAST FOR TO DAT AND TO MORROW For eastern New York and New England, snow flurries and colder to-day; fair to-morrow; fresh

west to northwest winds. For eastern Pennsylvania and New Jersey snow flurries, followed by clearing and colder to-day fair to-morrow: fresh west to northwest winds. For the District of Columbia, Delaware, Mary land and Virginia, colder to-day, with light snow flurries, followed by fair; fresh west to northwest

West Virginia, fair to-day; warmer tomorrow, with rain or snow. For western New York and Pennsylvania and Ohio, fair to-day, except snow flurries sear the Lakes; colder to-morrow; increasing cloudiness

#### HEINZE LOSES HIS BANK STOCK

Mercantile in Gould's Hands Again-Eliminated Bank President Now Meditates Suing Morse for Losses When Somebody Sold Out on United Copper Pool.

Out in Butte, Mon., Fritz Augustus Heinze is proverbially debonair. his fight with the Amalgamated Copper Company was at its bitterest and no signs of his subsequent victory were apparent Thomas M. Hodgens of the State Savings Bank of Butte, now one of his enemies. but at that time a friend, said: "If Gus and a duck had gone down on the Maine alone together the duck would probably have been drowned, but Gus would have come up with a grin and a chrysanthemum in his buttonhole.

He always wears a silk hat now, a thing he never did until luc't turned against him in October. Yesterday was probably as tyring a day as Mr. Heinze has ever gone through, yet at the end of it he bobbed up at the Waldorf, as he usually does about 6 o'clock in the evening, and talked with his friends as cheerfully as ever. In addition to being arraigned before Judge Chatfield on the serious charge of overcertification he was completely defeated in a deal which it has been, since his "elimination, one of his most cherished hopes to succeed in order to make a start toward regaining

After bending every effort to raise the \$2,000,000 and more which was necessary to take up a loan made from Edwin Gould and staying up late Tuesday night he was forced to default. After a long session yesterday morning in the office of William Nelson Cromwell, counsel for Mr. Gould, it was announced that a settlement had been made by which all the collateral for the loan, consisting of between 8,000 and 10,000 shares of Mercantile National Bank stock, should revert to Mr. Gould. It is inderstood also that Mr. Heinze had also to give additional consideration in order to bring about this settlement, and at present market quotations the stock does not

cover the loan. in control before Mr. Heinze and his associates made their invasion of the banking system last year, back as the dominating influence in the bank At the annual meeting on January 14 directors in sympathy with Mr. Gould will be elected. Seth M. Milliken, who went in as president of the bank at the time of the panic and rehabilitated it, will retire and will be suc ceeded by a man of Mr. Gould's selection.
Mr. Cromwell said that the settlement involved no other considerations except the loan itself.

We have come to an agreement on this ooint only," he said, "and we are not bound in any way as to our future action or the action of the bank about any balances. Mr. Heinze may owe it. Both sides are satisfied about the loan and all the shares are in my office at this moment."

The failure of Mr. Heinze to take up his

loan means a loss to him of probably \$1,000,000. When he bought the Mercantile Bank shares from Mr. Gould the price was \$325 a share. Of this amount he paid \$50 a share cash or about \$500,000, which is a total loss to him now. For the remaining \$275 a share he gave his note, secured by the shares themselves, for about \$2,500,000. At the present time the shares are quoted at not more than 125, which would give the block a value of only about \$1,000,000. Heinze probably had to pay enough in addition to make his total loss close to \$1,000,000.

There was a rumor current vesterday at Mr. Heinze was to bring suit against that Mr. Heinze was to bring suit against C. W. Morse, his former associate, to recover an amount said to be more than \$2,000,000, representing Mr. Heinze's loss through Mr. Morse's alleged selling out in the United Copper pool which attempted to corner the stock. Mr. Morse denied any knowledge of a suit, and Edward Laston. knowledge of a suit, and Edward Lauterbach, counsel for Mr. Heinze, said that no action had been brought yet. It was learned, however, that Mr. Heinze was considering the matter very seriously and that me development would occur within a

day or two.
Mr. Morse said incidentally that he still owned his original 2,000 shares of Mercan-tile Bank stock and had no intention of

#### HEINZE PLEADS NOT GUILTY. Says He Will Leave the City for Montana After His Trial.

F. Augustus Heinze, against whom an indictment ifor misdemeanor was found on Tuesday by the Federal Grand Jury for the overcertification of fifteen checks drawn by Otto Heinze & Co. on the Mercantile National Bank, appeared before Judge Chatfield in the Criminal Branch of the United States Circuit Court yesterday forenoon and pleaded not guilty. Mr. Heinze was accompanied to the bar by

his counsel, Edward Lauterbach. Mr. Lauterbach said that he would waive the reading of the indictment and that his client pleaded not guilty with leave to withdraw the plea at any time Through the courtesy of District Attorney Stimson t had been agreed. Mr. Lauterbach said, that Mr. Heinze should have until January 20 for further pleading. The Court readily acquiesced in the arrangement and ordered Mr. Heinze to appear at 10:30 A. M. on that

Mr. Lauterbach asked leave of the Court to inspect the minutes of the Grand Jury, though he was told, he said, that the Court was not in the habit of granting such a

"You can make it still stronger," said Judge Chatfield, implying that no one was allowed to do such a thing. District At-torney Stimson told Mr. Lauterbach that minutes had not been kept, nor was it the custom to do so in the Federal Grand Jury's proceedings. "A custom then more honored ch than in the observance," re-

marked Mr. Lauterbach.
Mr. Heinze declined to make any statement when he left the court room other than to say that he would not leave the city before his trial, but after it was ended he rould probably go to Montana.

A statement was given out by the United States District Attorney's office to the effect that other indictments of certain directors of the Mercantile National Bank with whose knowledge and consent the former president certified his brother's might follow Mr. Heinze's trial The offence alleged is a statutory mi although punishable by \$5,000 fine and five years imprisonment.

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### BRYAN INVENTS NEW NAMES

CALLS REPUBLICANS THE PARTY OF "THE ARISTOCRATS"

And the Democracy "The Other 80,000, 000"-Declares the Former See Every Measure of Law and Policy From Plutocracy's Viewpoint-Harmony at Dinner.

CHICAGO, Jan. 8.-William Jennings Bryan was hailed as the next President of the United States by 600 riotously happy Democrats at the Jackson day banquet of the Jefferson Club at the Auditorium

Hotel to-night. Roger C. Sullivan, Democratic national committeeman from Illinois, was not pres-

President Roosevelt was lauded in the speeches as the man who had "appropriated the Bryan platforms and made them popular with the people.

All of the speakers pleaded for harmony. They urged upon Democrats of all factions to forgive and forget the past and unite once again under the banners of Jeffers on and Jackson for what they conceived to be approaching for a certainty—a national triumph under the leadership of the "match-

For five hours Mr. Bryan was worshipped As forecasted in The Sun two days ago this puts the Gould interests, which were in control before Mr. Heinze and his as-

waved, men leaped on chairs and yelled frantically while the orchestra played "My County, 'Tis of Thee."

Mr. Bryan brought but one new idea with him this trip. It was a new name for the Republicans—"Aristocrats." His new name for the Democratic party was "the other 80 000 000. ther 80,000,000."
His speech was perhaps one of the most

came a national character because of what he did not say. He offered no remedies for the e.iis he has heretofore pictured as besetting and threatening American in-stitutions. He contented himself with general ties and an eloquent contrast of the nepublican and the Democratic ideas of governmet.

Mr. Bryan said in part: Jackson was democratic in the same sense in which Jefferson was a democrat. Both believed in the people, both in their right to self-government and in their capacity for selfgovernment. And what is of no less importance, both considered society and society's needs from the democratic standpoint, that is from the standpoint of the interests of the

On this day when we meet in memory of tackson it is entirely fitting that we should consider this the fundamental and fat reachng question, namely, from which standpoint shall we look at society?

The aristocrat regards society as an organation suspended from the top; the democrat onsiders society as a structure built from the The Republican leaders-I do not mean the comparatively few reform Republicans,

but those who dominate the party's policy in the House and in the Senate-these look at society from the aristocratic standpoint needs of the country. If the trust question is under consideration the Republican leaders at once become so

icitous for fear rash and ill considered legislaion may disturb the gigantic business enterprises which are crushing out independence and industry. The Democrats look at the trust question from the standpoint of 80,000,000 people who are victimized and insist upon effective legislation.

If the railroad question is under consideration the Republican leaders at once take the side of the roilroad magnates and assume

that any effective regulation will bring business to a standstill. The Republican leaders in the Senate have refused to permit an inquiry into the present value of the railroads and they have prerented legislation which would prohibit the

ssuance of watered stock. Democrats, looking at the question from he standpoint of the patrons of the road and he stockholders, insist that the railroad ousiness should be put upon an honest basis that there will be no great fluctuation in the value of the stock and bonds. The forines that have been made by railroad managers have not come from salaries, for even normous salaries do not make millionaire

in so short a time. If a railroad president received \$100,000 a year he has to work fifty years to earn ,000,000; but if he is allowed to juggle the stock of the road he can make more in a in a lifetime by honest attention to the man-

The questions which involve a discussion of the relative spheres of the nation and the State bring out this difference in the point view. The aristocrat wants to get the Government as far away from the people as possible; the democrat desires to bring the Government as near to the people as

The aristocrat would substitute national medies for State ones because predatory wealth can protect itself from national legision more easily than from State legislation The Democrat would add the national remedy o the State remedy and thus give to the eople the protection of both the State and

he Federal Government. The labor question is considered from both andpoints-the aristocrat thinks only of he large employers, the Democrat of the my of employees and of the general public

which is inconvenienced. ind that everything depends upon the point f view from which we examine the question. and there is no better illustration of this than s to be found in the money stringency through which we are passing. The Republican lead ers at once rush to the rescue of the banks after those banks had brought the stringency

If the Republican leaders had spent half as much time in trying to make depositors secure as they have spent in trying to increase the profits of the bankers we would not have had any panic at all.

The country is ripe for the application of Democratic principles to government, and all that is necessary is for the Democratic party to convince the public that it will be truly Democratic if Intrusted with power Will the Democratic party be Democratic and we shall have a victory which will be fruitful in blessings to every part of the country and to every element of our popu-lation. Let us convince the people that it will be

Bronx German Democrats Against Bryan The executive committee of the union of German Democrats of The Bronx at a meeting Monday night unanimously adopted a resolution calling upon the Democratic leaders of this State to "use their influence to prevent another renomination of William J. Bryan by the national Democratic convention, because his candidacy would, in our opinion, endanger the success of the party in the nation, and especially in the State of New York," BEGINNING THIS MORNING.

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EVERY SIZE.

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## PARIS ALL FOR PEACE NOW

PRESIDENT ROOSEVELT QUOTED AS EXPECTING SETTLEMENT.

The "Matin," Which Has Been Hinting at War With Japan, New Says That French Public Opinion is Friendly to America -Japanese Plans Centred on China.

Special Cable Despatch to THE SUN. Paris, Jan. 9.- The outburst of declaraions or rather reaffirmations in the Paris press during the last three days of the utmost friendliness for the United States has been altogether in accord with the wishes of those who cherish inherited ideas of the traditional friendship of the two republics. Notwithstanding some notes of have been steadily put forward defects of the United States naval equipment and the probabilities of Japanese success in the deplorable conflict which must follow a clash of arms, the Motin, which has been one of the foremost journals in keeping to the front the portentous menaces of such a conflict, comes out this morning with a declaration that an amicable solution is probable.

Heretofore the Matin, refraining from editorial expression, has put forward alarmist indications in its news despatches, sometimes prefaced by local introductions. Today it publishes conspicuously an article of editorial origin quoting President Roosevelt as declaring that everything will settle itself, the implication being that it will do

so amicably. The paper says that besides Count Hayashi's despatch, which was cabled to THE Sun on Wednesday, the Matin is able to place before the public a declaration made by President Roosevelt to a member of the days that between America and Japan everything will arrange itself satisfac-

It declares that the sympathy of the Government and the press and public opinion here are for the American nation, calling to witness the fact that, as the Matin says, the Bank of France forwarded \$50,000,000 to America through the Bank of England. The paper adds if it is true that at the present time there are many persons in France who expect a conflict between America and Jaran and many others who fear one, it is none the less true

that there is nobody who wishes one. The Matin characterizes as extraordinary an article appearing in a Washington paper stating that France is urging the Japanese

To-day's London Times in a Paris despatch associates THE SUN with the Washington Post in connection with the Japanese-American disputes, using an adjective which is mendacious as regards THE SUN. It describes the articles as Francophobe and quotes the Figaro's article of yesterday, which was cabled to THE SUN, as showing, in the words of the Times, that France is not waiting with impatience for the destruction of the American fleet, a statement which is nowhere made except in the Times. To-day's Figoro, however, begins its Tokio letter with the statement that for some time people have been pleased France to announce a Japanese-American war as near, and that the writer himself, leaving Paris two months ago, believed so also. He adds that a month's residence in Japan has convinced him that there will not be any war, if only for the reason that, aside from being busy recuperating her strength, Japan is occupying herself preeminently with preparations to step in and take control of China at the death of the Dowager Empress, Japan thinking that at that time the Mikadonal régime may well supplant the Manchu dynasty and Japan will place herself between China and the

nations of Europe. To-day's Journal des Debats, in an article entitled "Hypothesis of the Conflict," says that while the American ships are superior to the Japanese the discipline and devotion of the Japanese are so much finer that the immediate triumph of the

Japanese fleet could be expected. Afternoon papers yesterday quoted Prof. Jacques Flach of the College of France, who, from 1902 to 1904, in his class lectures, prophesied the Russo-Japanese conflict. and who has made a study of the Japanese question, as declaring on the same grounds as those he advanced prior to the Russian war, that a Japanese-American conflict is

DUCKWORTH CLUB FOR HARMON. Ohio's Old Democratic Organization Cheers

His Boom for Presidential Nomination. CINCINNATI, Jan. 8.—At the Jackson Day banquet of the Duckworth Club here tonight the candidacy of Judson Harmon of this city for the Democratic nomination for President was boomed. Harmon was to have been the chief speaker of the occasion, but he was called to New York. A letter from him was read congratulating the club and predicting a Democratic victory in the coming Presidential contest.

The members gave three cheers "for Judson Harmon, the next President of the United States." The speakers, all local attorneys and judges, spoke of Harmon as the only man who could lead the party to victory. The Duckworth Club is the largest Democratic club in the State and the eldest. CINCINNATI, Jan. 8 .- At the Jackson Day

GLOOMY PRUSSIAN FINANCES. Deficit Expected in 1908-Minister Censures Extravagant Living. Special Cable Despaich to THE SUN.
BERLIN, Jan. 8.—Following the recent

gloomy statement of the imperial finances in the Reichstag, Prussia's representatives had to listen to-day to a pessimistic budget speech by Baron von Rheinbaben, Prussian Minister of Finance, in the Landtag. He not only announced that the estimated surplus of nearly \$10,000,000 to Easter, 1907, had been whittled to \$3,750,000, but pre-

dicted a deficit in 1908 of \$11,250,000. The Rouresentatives listened in unhappy silence while the Minister warned them that the ebb in commercial and industrial prosperity which began in 1907 was likely to continue in 1908. After citing the decrease in the profits of the State railways and the discord which have persisted from the State iron and coal mines and the high bank press campaign of recent months, in which | rate as being among the chief causes of the deficit, Baron von Rheinbaben deplored a serious factor in the Prussian financial There had grown up, he said, an increase

of extravagance among private persons as well as among public bodies which could not be altogether justified by pleading that improvement in the standard of living normally accompanies a period of prosperous trade. He noticed regretfully increased love of expenditure which could not be reconciled with the old Prussian tradition of stern economy and self-denial.

He believed there was an increased tendency to live beyond one's income, a tendency which was shown especially in municipal life. If the municipalities, the Minister said, continue to work with ever increasing debts, he really did not know what they would come to.

AGITATOR AGAIN QUITS MUNCIE. Behner of Trolley Men's Union Leaves Town Rather Than Be Locked Up. UNCLE Ind Jan 8-A L Behne vice-president of the Amalgamated Asso-

ciation of Street and Electric Railway Employees, who was asked to leave this city three days ago, returned this morning and was met at the train by officers, who arrested him and took him to the police station. Mayor Guthrie was called. In a talk with Behner he said he did not wish to use force, but that Behner must leave Muncie and stay away till the strike is settled. Capt. Boyle of the militia also visited the prisoner and told him it would be better leased and went to a hotel and later left the

The police have traced the authorship of two inflamatory circulars to Behner. Thou-sands of the first issues were distributed, but the second circular was discovered just as it was being printed and was confiscated and the type scattered. In on e of the circulars the men manning the street cars were declared to be "worse than thugs." Cars of the Union Traction Company

were stoned at Gas City late last night and several passengers were injured. Every window in one car was broken and a woman was hit on the head with a stone and badly Acts of violence were reported at Marion.

Late cars of the traction company at that place were stoned. There was no organ-ized mob, but strike sympathizers were

hidden along the tracks and stoned the cars from ambush. SUMMER HOTEL INSPECTION. Some of Them Are Not in Good Sanitary

Condition. ALBANY, Jan. 8.-State Health Commissioner Porter, in the bulletin of his department issued to-day, announces the result of a month's inspection of summer resort hotels and boarding houses in the Catskills and on Long Island. Of sixty-four separate hotels and boarding houses inspected, none of which is mentioned by name, forty were found to be above reproach as to water supply, plumbing and methods of sewage disposal.

The remaining twenty-four showed undesirable conditions in these lines and some were badly kept; had dirty kitchens and outbuildings generally unclean, "These cases all have been taken up by correspondence with the proprietors and requests made that the particular offence charged against the hotel be remedied before the opening of the next season. If at that time it is found that the remedies advised have not been adopted the department will see to it that the public is informed,"

It is intended, if an application for the work is made, to inspect all the Adirondack

DROWNED IN ALE.

Two Bodies Found Submerged in Fluid From Collapsed Brewery's Vats. The bodies of James Kernan and Peter Hagan were found in the débris in Flanagan, Hagan were found in the debris in Fianagan,
Nay & Co.'s brewery yesterday. It was
not known that Kernan was one of the
victims of Tuesday's collapse until his
body was found. The body of Robert
Erickson, who is supposed to have lost
his life also, has not been recovered.
Kernan and Hagan lay on the cellar
floor under four feet of ale from broken
tanks. Coroner's Physician O'Hanlon made
an autopsy on Hagan's body and found an autopsy on Hagan's body and found that although the man's neck was broken by falling timbers he had died from drowning.

CONNERS TALKS WITH HILL In Albany-Then Heads for Democratic Quarters Here. ALBANY, Jan. 8.-William J. Conners

chairman of the Democratic State committee, was in Albany making one of his periodical visits yesterday and to-day. Aside from his usual talks with Demo cratic State officials, Chairman Conners to-day had a long visit with David B. Hill, which both refused to discuss. Mr. Con-ners went on to New York city to-night.

# Refrigerators

The "Eddy" Our standard for a quarter Century. The "Premier" Glass lined.

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130 & 132 West 42d Street, and
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# DEBTS OF MRS. HOWARD GOULD

ORATORY HAMPERS TRIAL OF SUIT AS SHORT CAUSE,

and After Howard Gould Has Been Belabored With Epithets the Judge Stops the Case and It Will All Have to Be

Done Over Again-Counsel Nettled The trial of the suit brought by Malcolm N. Butler as assignee of Lichtenstein & Co. milliners, to recover from Mrs. Howard Gould \$2,980 for furs and dresses supplied between November 30, 1906, and January 19, 1907, came on yesterday before Justice

Truax and a jury in the Supreme Court. After an elaborate address to the jury by Mirabeau L. Towns, the poet laureate of Brooklyn, who has been retained as trial counsel by Mrs. Gould's lawyer, and the examination of a couple of witnesses, one of them Mrs. Gould, the trial was discontinued because of the plain impossibility of finishing it within the two hours limit which is made for short cause calendar cases. Mr. Towns's speech consumed nearly an

hour of the two hours, and consisted The only issue was whether or not Howard Gould was responsible for her personal expenditures at the time his wife ordered the goods. Gould advertised last November that he was making his wife an ample allowance and would no longer be responsible for her debts Mrs. Gould's defence being that her husband is the responsible debtor in the case, the reply of the plaintiff Butler is

that she must prove it. The plaintiff's case consisted in simply presenting to the jury the list of articles purchased, as admitted by Mrs. Gould.

Then Lawyer Towns began.

He described Howard Gould as a man of leisure who had married a woman "in the bloom of her youth and beauty and then cast her aside." Towns went on to describe Mr. Gould as

Towns went on to describe Mr. Gould as a "sybaritic satyr" to whom some other face had appealed and who had been "tainted by the money he inherited."

"A wanton sybarite who had cast off his "Towns" "Towns" wife to satisfy his vile passions," Towns said about Gould later, but on the objection of counsel for Butler he dropped his adjectives and turned to evidence. Mrs. Gould described herself as Viola Katharine Gould, wife of Howard Gould, Katharine Gould, wife of Howard Gould, who, she said, abandoned her at Castle Gould, Port Washington, L. I., on August 26, 1906. She denied having ordered any goods from Lichtenstein after her husband had notified the milliners that he would

out this time Justice Truax decided that the two hour limit had been reached and sent the case back to the general calen An angry colloquy ensued between

not be responsible for any debts contracted

former alleging that Mrs. Gould's counsel had deliberately neglected to get ready for Howard Gould's lawyers, Nicoli, Anable & Lindsay, sent a letter to the newspapers last night in which they requested that in view of Lawyer Towns's "outrageous state-ments" concerning Howard Gould's treat-ment of his wife it be stated that in the yeer preceding November 23 last Mr. Gould paid Mrs. Gould more than \$70,000 and since giving notice that he will not pay more of her debts has allowed her \$25,000 a year

Caleb Powers Pleads for Pardon. LEXINGTON, Ky., Jan. 8 .- A statement to the public was Issued by Caleb Powers today in which he asks the people to sign a petition to Gov. Willson for his pardon on the ground that he was tried unfairly three times and at his last trial ten jurors asked for his acquittal. A committee composed nocrats and three Republicans has charge of the petition, which ated among women as well as men.

There is a reason why Grape-Nuts should correct a weak physical, or a sluggish mental condition. The food is highly nutritious and is pre-digested so that it helps the digestive organs to assimilate other food.

It is also rich in the "vital phosphates" that go directly to make up the delicate gray matter of brain and nerve centres. Read "The Road

to Wellville," in pkgs.